

By: Ellis

S.B. No. 490

A BILL TO BE ENTITLED

AN ACT

relating to exemptions from the sales tax for certain energy efficient products.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter H, Chapter 151, Tax Code, is amended by adding Section 151.333 to read as follows:

Sec. 151.333. ENERGY EFFICIENT PRODUCTS. (a) In this section, "energy efficient product" means a product that has been designated as an Energy Star qualified product under the Energy Star program jointly operated by the United States Environmental Protection Agency and the United States Department of Energy.

(b) This section applies only to the following energy efficient products the sales price of which is equal to or less than \$1,500 for each product:

(1) an air conditioner;

(2) a clothes washer;

(3) a ceiling fan;

(4) a dehumidifier;

(5) a dishwasher;

(6) an incandescent or fluorescent light bulb;

(7) a programmable thermostat; and

(8) a refrigerator.

(c) The sale of an energy efficient product to which this section applies is exempted from the taxes imposed by this chapter

1 only if:

2 (1) the product is purchased by an individual for
3 noncommercial home or personal use; and

4 (2) the purchase is not made with a credit card, debit
5 card, or check that is in the name of a business.

6 (d) A retailer is not required to obtain an exemption
7 certificate stating that an energy efficient product to which this
8 section applies is purchased for noncommercial home or personal use
9 unless more than two items of the product are purchased at the same
10 time.

11 SECTION 2. The change in law made by this Act does not
12 affect taxes imposed before the effective date of this Act, and the
13 law in effect before the effective date of this Act is continued in
14 effect for purposes of the liability for and collection of those
15 taxes.

16 SECTION 3. This Act takes effect July 1, 2007, if it
17 receives a vote of two-thirds of all the members elected to each
18 house, as provided by Section 39, Article III, Texas Constitution.
19 If this Act does not receive the vote necessary for effect on that
20 date, this Act takes effect October 1, 2007.